

(2) AUTOMATED DATA PROCESSING.—Part D of title  
IV (42  
U.S.C. 651-669) is amended by inserting after  
section 454  
the following new section:

**"SEC. 454A. AUTOMATED DATA PROCESSING.**

42 USC 654a.

"(a) IN GENERAL.—In order for a State to meet the  
requirements  
of this section, the State agency administering the  
State program  
under this part shall have in operation a single  
statewide automated  
data processing and information retrieval system  
which has the  
capability to perform the tasks specified in this  
section with the  
frequency and in the manner required by or under  
this part.

"(b) PROGRAM MANAGEMENT.—The automated  
system required  
by this section shall perform such functions as the  
Secretary may  
specify relating to management of the State  
program under this  
part, including—

"(1) controlling and accounting for use of  
Federal, State,  
and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal report-  
ing requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to  
enable the Secretary to determine the incentive payments  
and  
penalty adjustments required by sections 452(g) and 458, the  
State  
agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on  
State performance  
with respect to paternity establishment  
and child  
support enforcement in the State; and

"(B) to calculate the paternity establishment percent-  
age for the State for each fiscal year; and

"(2) have in place systems controls to ensure the com-  
pleteness and reliability of, and ready access to, the  
data  
described in paragraph (1)(A), and the accuracy of the  
calcula-  
tions described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The  
State agency  
shall have in effect safeguards on the integrity,  
accuracy, and  
completeness of access to, and use of data in the  
automated system  
required by this section, which shall include the  
following (in addition  
to such other safeguards as the Secretary may  
specify in  
regulations):

"(1) POLICIES RESTRICTING ACCESS.—Written  
policies

concerning access to data by State agency  
personnel, and shar-  
ing of data with other persons, which—

"(A) permit access to and use of data

only to the  
extent necessary to carry out the State  
program under  
this part: and

"(B) specify the data which may be used  
for particular  
program purposes, and the personnel  
permitted access to  
such data.

"(2) SYSTEMS CONTROLS. ~~S~~Systems controls  
(such as pass-  
words or blocking of fields) to ensure strict  
adherence to the  
policies described in paragraph (1).

"(3) MONITORING OF ACCESS. ~~R~~Routine  
monitoring of access  
to and use of the automated system, through  
methods such  
as audit trails and feedback mechanisms, to  
guard against  
and promptly identify unauthorized access or use.

"(4) TRAINING AND INFORMATION. ~~P~~Procedures  
to ensure  
that all personnel (including State and local  
agency staff and